

Message Text

UNCLASSIFIED

PAGE 01 RABAT 03464 172235Z

67

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 L-03 DODE-00 PA-02

PRS-01 SAJ-01 FEA-01 AGR-10 /096 W

----- 101039

R 161736Z JUL 75

FM AMEMBASSY RABAT

TO SECSTATE WASHDC 5998

INFO AMEMBASSY ALGIERS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY PARIS

USEC BRUSSELS

AMEMBASSY TUNIS

UNCLAS RABAT 3464

C O R R E C T E D C O P Y -- T E X T --

E.O. 11652: N/A

TAGS: EFIN EGEN MO

SUBJECT: FRENCH FINANCE MINISTER SIGNS THREE ECONOMIC AGREEMENTS

1. FRENCH ECONOMIC AND FINANCE MINISTER FOURCADE ARRIVED
RABAT 1000 A.M. 15 JULY AND WAS MET BY MOROCCAN COUNTERPART,
FINMIN BESLIMANE. AFTER BRIEF ARRIVAL STATEMENT, FOURCADE
PROCEEDED IMMEDIATELY TO FINANCE MINISTRY TO SIGN:

A. RECIPROCAL INVESTMENT GUARANTEE ACCORD;

B. FINANCIAL AID PROTOCOL PROVIDING UP TO TOTAL OF
840 MILLION FF IN GOVERNMENT TREASURY LOANS AND GUARANTEED
PRIVATE FUNDS FOR THE PURCHASE OF FRENCH PRODUCTS TO BE USED
IN IMPLEMENTING MOROCCAN FIVE YEAR PLAN;

C. AUTOMOBILE INSURANCE AGREEMENT ESTABLISHING COMMON
FUND FROM WHICH BOTH MOROCCAN AND FRENCH CLAIMS WILL BE PAID.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 RABAT 03464 172235Z

2. INVESTMENT GUARANTEE ACCORD OFFERS LITTLE NEW; IN FACT AGREEMENT IS LONG OVERDUE. IT PROVIDES FOR STANDARD PROTECTION FOR INVESTMENT AKIN TO US-MOROCCAN ACCORD OF 1961 BUT WITH RECIPROCAL BENEFITS. AUTOMOBILE INSURANCE ACCORD IS SIMILARLY OVERDUE AND SHOULD GO FAR TO REMOVE POTENTIAL SOURCES OF STRAIN BETWEEN MOROCCAN AND FRENCH NATIONALS.

3. AID PROTOCOL IS RENEWAL OF CUSTOMARY ANNUAL AGREEMENT. PRESENT ACCORD WAS NEGOTIATED JULY 11 TO 14 IN RABAT AND PROVIDES FOR DIRECT FRENCH TREASURY LOANS FOR PURCHASE OF FRENCH CAPITAL EQUIPMENT, PRINCIPALLY IN TELECOMMUNICATIONS, POWER GENERATION, PETRO-CHEMICALS, INDUSTRIAL INVESTMENT, FOOD PROCESSING, BUILDING INDUSTRY, AND PUBLIC WORKS. IN ADDITION TO TREASURY LOANS, PRIVATE LOAN FUNDS WILL BE MADE AVAILABLE WITH GOVERNMENT GUARANTEES, BRINGING THIS YEAR'S TOTAL TO GOM TO 840 MILLION FF.

4. COMMENT: VAST MAJORITY OF CAPITAL EQUIPMENT PURCHASED BY MOROCCO REMAINS FRENCH AND TYING HAS LONG BEEN CUSTOMARY. FUNDS ARE HOWEVER BEING MADE AVAILABLE AT TIME WHEN GOM IS HARD PRESEED FOR CASH. FUNDS WILL CONSTITUTE A WELCOME CONTRIBUTION TOWARD HELPING MOROCCO THROUGH PRESENT FINANCIAL SQUEEZE. FOURCADE REMARKED THAT FRANCE IS ALREADY HOLDING 900 MILLION FF WORTH OF ORDERS FOR EQUIPMENT SO USE OF FUND MAY BE HIGHER THAN IN RECENT PAST WHEN SUPPLIER CREDITS OFTEN NOT FULLY UTILIZED. AMOUNTS IN LINE WITH EMBASSY ASSUMPTIONS REFLECTED IN RECENT ANNUAL US AID BUDGET AND FORTHCOMING TRENDS REPORT. AS WE ANTICIPATED (RABAT 3015) GOM WILL STILL HAVE TO STRUGGLE HARD TO MAINTAIN AS MUCH OF ITS AMBITIOUS INVESTMENT PROGRAM AS POSSIBLE. WE DO NOT CONSIDER IT SIGNIFICANT THAT TERMS ON WHICH FRENCH FUNDS MADE AVAILABLE NOT PUBLICLY DISCLOSED SINCE FRENCH CUSTOMARILY CLOSE ON DETAILS THEIR COMMERCIAL AND ECONOMIC PROGRAMS HERE. NEUMANN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, ECONOMIC AGREEMENTS, INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975RABAT03464
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750247-0984
From: RABAT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750751/aaaabtiz.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 11 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 FEB 2003 by ThomasVJ>; APPROVED <16 MAR 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FRENCH FINANCE MINISTER SIGNS THREE ECONOMIC AGREEMENTS
TAGS: EFIN, EGEN, MO, (FOURCADE, JEAN-PIERRE), (BENSLIMANE, ABDELKADER)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006